REMARKS/ARGUMENTS

Claims 1-38 were canceled. Claim 39 was allowed and pending subject to satisfying the specification of the application that the examiner finds insufficient and unclear. By this amendment, all symbols in equations are clarified and corrections are made with respect to various typographical errors and figures in the specification. As these changes are made, a newly revised copy of the substitute specification is being attached hereto, as page and line numbers are changed. **No drawings have been changed.**

Previously amended Claim 39 is being amended further to incorporate limitations of the previous amendment. This newly amended Claim 39 follows the guidelines as suggested in 35 U.S.C. 112, which the examiner brought to the inventor's attention.

This amended claim introduces no new matters. However, this paper highlights one of the major inventions as was detailed in the previous May 3, 2008 amendment that introduces a new way of constructing capital market indexes. It views the market portfolio as a portfolio of various style indexes, which themselves are a portfolio of various individual securities. Modern Portfolio Theory is justified because each individual security can then be made a linear function of the market portfolio thus constructed. As the title of this invention suggests, this is in no way a new matter to the claims. Step of generating an optimal portfolio is one thing, but this invention uses the specially constructed market portfolio returns as one of the major determinants in selecting securities in a portfolio.

In response to the examiner's request that amended claim features be correctly referenced to the Specification, the present inventor furnishes the following information in a table format with pertinent page numbers.

Items in the Claim	Page numbers in the Specification
Receiving at a computer server from at least one client system associated with an investor, a plurality of such investment parameters from said investor as investment planning horizon, risk tolerance or target risk level, target investment returns, a preferred cash allocation, a strategy of portfolio rebalance, and/or investment styles based on market value, fundamental and technical criteria, or other user-defined securities to be considered in his/her portfolios;	Page 7, Lines 21 through 25; Page 8, Lines 1 through 3; Page 11, Lines 5 through 29; Page 12, Lines 1 through 29; Page 13, Lines 1 through 5;
Responsive to the receipt of said investment parameters, said computer server sending queries to database server system, which selects initial candidate securities;	Page 8, Lines 3 through 7
Invoking a mathematical algorithm stored in said computer server by retrieving said user investment parameters and by using either real-time or historical securities price data; Said mathematical analysis program generating an optimal investment portfolio consistent with said user-defined investment parameters in real time;	Page 8, Lines 8 through 14; Page 13, Lines 7 through 30; Page 14, Lines 1 through 25;
Wherein said generating of said optimal portfolio further comprises; Using an optimal linear combination	Page 8, Lines 9 through 30; Page 9, Lines 1 through 7;

of securities chosen under a plurality of investment styles as various investment style indices; and setting returns on a portfolio constructed as a linear combination of a plurality of investment style indices as possible market benchmark to compare performance of said portfolios; Constructing the domestic market portfolio as an optimal linear combination of said plurality of all investment style index returns while anticipating also an international capital market index as a linear combination of various domestic market portfolios for different countries/regions;	
Rebalancing existing portfolios under a preset rebalancing strategy relative to an optimal scenario portfolio formed in real time in accordance with said user-defined investment parameters and current market conditions.	Page 9, Lines 8 through 14; Page 10, Lines 5 through 15; Page 14, Lines 25 through 29; Page 15, Lines 1 through 30; Page 16, Lines 1 through 30; Page 17, Lines 1 through 29; Page 18, Lines 1 through 30;

We believe that the application should now be in condition for allowance.

Respectfully submitted,

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Attachments: Exhibit A (Substitute Specification)